



## **PRESS RELEASE**

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## **Colorado Sen. Udall, Attorney General Suthers Warn Consumers About Tax-Preparation Fraud**

**DENVER**—U.S. Senator Mark Udall and Colorado Attorney General John Suthers warned consumers today to beware of tax-preparation fraud, a common scam where tax preparers change return documents to steal refunds and increase the return amounts.

Fraudulent tax preparers often solicit clients using Internet ads or by setting up temporary store fronts. Once a taxpayer contacts the fraudulent tax service, the scammer then fills out his or her tax forms and volunteers to mail it in on behalf of the consumer. The fraudulent tax preparer then falsifies information on the tax form to increase the size of the return and alters the address or the bank account to steal the refund check.

"Tax-preparation fraud is a common scam that can rob Coloradans of hundreds or thousands of dollars and leave them holding the bag with the IRS," Udall said. "Although working with a tax preparer can make the tedious process of filing a tax return easier, consumers need to be careful."

"While most preparers provide a reputable service to their clients, an alarming number prey on unsuspecting taxpayers," Suthers said. "Taxpayers should choose carefully when hiring a tax preparer and watch for the warning signs of a dishonest one."

Taxpayers are responsible for the accuracy of all entries made on their tax returns. This is true whether taxpayers or preparers fill them out. Nonetheless, Udall and Suthers advised consumers to take several simple steps to avoid being victimized:

- Avoid return preparers who claim they can obtain larger refunds than other preparers.
- Avoid preparers who base their fee on a percentage of the amount of the refund.
- Use a reputable tax professional that signs and enters a preparer tax identification number (PTIN) on your tax return and provides you with a copy for your records.
- Consider whether the individual or firm will be around to answer questions about the preparation of your tax return, months, even years, after the return has been filed.
- Never sign a blank tax form.
- Ask questions. Do you know anyone who has used the tax professional? Were they satisfied with the service they received?

To learn more about tax-preparation fraud, [visit the IRS's website](#).

If you believe you have been the victim of tax-preparation fraud, you should contact the IRS's Taxpayer Advocate Service 303-603-4600 or toll free at 1-877-777-4778. You also can file a complaint with the IRS by clicking [HERE](#) or the Colorado Attorney General's Office by clicking [HERE](#).

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